

APPENDIX 3

AMENDMENT TO AFFILIATION AGREEMENT BETWEEN

**ROSS UNIVERSITY SCHOOL OF MEDICINE SCHOOL OF VETERINARY
MEDICINE LIMITED (RUSM)**

Portsmouth, Dominica

And

WYCKOFF HEIGHTS MEDICAL CENTER

374 Stockholm Street, Brooklyn, New York 11237

WHEREAS, Ross University School of Medicine, School of Veterinary Medicine, Limited, (the "University") and Wyckoff Heights Medical Center ("Wyckoff") (collectively, the "Parties") have entered into a certain Agreement dated December 29, 1997, relating to the participation of the University's medical students in clinical clerkships at Wyckoff (the December 29, 1997 agreement together with addendums thereto dated August 21, 2001 and June 15, 2006, shall hereinafter be referred to as the "Agreement"); and,

WHEREAS, the Parties wish to continue the arrangement reflected in the Agreement, but make certain additional modifications to it, effective as of December 1, 2007 (the "Amended Agreement");

NOW, THEREFORE, in consideration of the premises and the mutual promises and undertakings of the Parties set forth below, the Parties hereby agree to the following:

A. Except for those changes expressly indicated in this Amended Agreement, the Parties' Agreement shall otherwise remain in full force and effect according to its terms. In the event of any conflict between the terms of the Amended Agreement and the Agreement, the terms of the Amended Agreement shall control.

B. The term of this Amended Agreement shall be from January 21, 2008 until January 20, 2013, unless terminated by one of the Parties in accordance with the provisions for termination set forth below.

C. The University shall have an option to extend this Amended Agreement for three additional years, from January 21, 2013 until January 20, 2016, subject to the terms hereinafter set forth. The University shall be deemed to have exercised its option to extend the term of this Amended Agreement unless it provides Wyckoff specific written notice of its intention not to exercise its option right on or before October 21, 2012.

D. Wyckoff acknowledges that it has received and reviewed the University's current Clinical Curriculum Guide (the "Guide"). The Guide shall be incorporated into this Amended Agreement by reference. Wyckoff shall provide

clinical medical education under this Amended Agreement consistent with the Guide, as a minimum standard. The University shall, in a timely manner, inform Wyckoff of any substantive changes in the Guide.

E. Wyckoff shall provide the number of clerkships set forth in Exhibit A hereto, which is incorporated into this Amended Agreement and made part hereof.

F. The provisions of the Agreement and the Amended Agreement shall be construed and interpreted and all rights and obligations hereunder determined in accordance with New York law.

G. Either Party may terminate the Amended Agreement by reason of a material breach by the other Party; provided: a) that written Notice containing a detailed description of the basis for the claim of breach is delivered to the Party allegedly in breach; and, b) the condition(s) constituting a material breach remain un-remedied by the offending Party for a period of 60 days following the date of said Notice. In event of such termination, Wyckoff shall allow University students to complete their clerkships, to the extent they were scheduled to begin on or before the termination date.

H. Wyckoff shall permit students of the University appropriate access to patients at Wyckoff facilities while they are formally enrolled in clerkships.

I. Wyckoff shall provide appropriate clinical supervision and training of University students, including their performance of relevant clinical procedures, while taking core clerkships in Pediatrics, Internal Medicine, Surgery, Obstetrics & Gynecology, and Family Medicine as well as elective rotations at Wyckoff facilities. The Parties may agree to add or delete elective clerkships from time to time in writing during the term of this Amended Agreement, or the extension thereof pursuant to the University's option.

J. Wyckoff shall inform the appropriate officials of the University, in a timely and confidential manner, of any substantially inappropriate behavior on the part of any student, which may indicate the need for sustained counseling or correction.

Wyckoff shall provide each student with regular and periodic, appropriate and timely counsel/feedback/notification, concerning performance and behavior in relation to their assigned rotation(s).

K. Wyckoff shall submit, in a timely and appropriate manner, a written Clinical Evaluation on each student at the completion of clerkships by the supervising physician, and countersigned by the Director of Undergraduate Medical Education, which shall be delivered to the University within 30 days of completion of the clerkship.

L. Wyckoff shall provide to the University accurate and contemporary data concerning student clinical activities. Documentation will include patient census (i.e. average daily census) for each course area of clinical instruction.

M. Wyckoff shall make available the following health services to the University's students while they are assigned to clerkships at Wyckoff facilities – provided that the usual fees and costs for such services shall be paid by the students:

- a. Medical referrals through the Wyckoff's Employee Health Services
- b. Emergency services provided by the Emergency Department; and,
- c. Basic health services as required by regulatory agencies from time to time.

N. Wyckoff shall provide the following support services to the University's students while they are assigned to clerkships at Wyckoff facilities:

- a. Housing referrals, if available;
- b. Computer access; and,
- c. Medical library access.

O. Wyckoff shall provide in-house accommodations for on-call personnel of the University, including call rooms, lockers, dietary, uniform and linen services.

P. Wyckoff shall provide the University, upon reasonable request therefore, with proof of insurance in commercially reasonable amounts and with such coverages as may be standard for hospitals in the area in which the Hospitals are located.

Q. The University shall, with the advice and counsel of Wyckoff, offer and confer faculty academic appointment upon all hospital teaching faculty. This appointment shall be equivalent to at least an adjunct clinical appointment at the University.

R. The University shall appoint for clinical clerkship only those students who have satisfied all academic requirements in the pre-clinical sciences and who are qualified to begin their clinical clerkship experiences.

S. The Wyckoff Medical Director shall have the authority to immediately suspend any student of the University whose behavior is sufficiently inappropriate to warrant this action. Wyckoff shall notify in writing within 7 days the University's Dean of Clinical Science of such action.

T. The University shall provide appropriate malpractice coverage (\$1 million US /\$3 million US minimum/maximum limits) and confirmation of health insurance for students of the University while they are formally enrolled in clerkships at Wyckoff.

U. The University shall require each student, prior to commencing of the clinical experience, to provide results to Wyckoff of physical examination which complies with the requirements of section 405.3 of the New York Code of Rules and Regulations. All clinical clerks will be offered by the University the opportunity to receive a Hepatitis B vaccination. In addition, all clinical clerks will have completed the OSHA Blood borne Pathogens Workshop prior to beginning clerkships.

V. On a quarterly basis, no later than 90 days after the close of the quarter, Wyckoff shall provide the University with a report on its financial condition. In the event of the filing of bankruptcy by Wyckoff, Wyckoff agrees that the University shall be considered a secured creditor in the amount of any unamortized Monetary Consideration, plus any unamortized portion of the Pre-Payment Amount plus any unamortized portion of the Additional Pre-Payment amount.

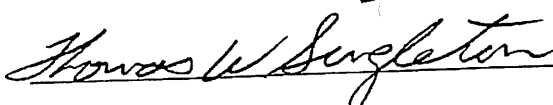
W. All Notice under this Amended Agreement shall be by certified mail, return receipt requested, addressed as follows:

To Wyckoff: Wyckoff Heights Medical Center
374 Stockholm St., Brooklyn, New York 11237
Attention: Mr. Julius Romero

To University: Ross University School of Medicine
499 Thornall Street, Edison, NJ 08837
Attention: Dr. Nancy Perri

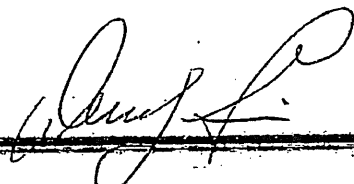
THIS AMENDED AGREEMENT IS SIGNED AND DATED AS FOLLOWS:

On behalf of WYCKOFF HEIGHTS MEDICAL CENTER:

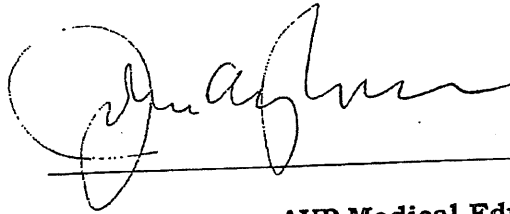


Thomas Singleton, CRO

Date



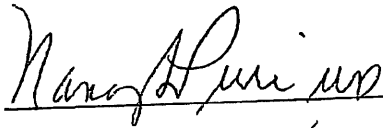
12/19/07



Julius Romero, AVP Medical Education

Date

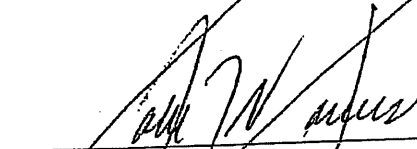
On Behalf of ROSS UNIVERSITY SCHOOL OF MEDICINE:



Nancy Perri, M.D., Vice President, Academic Affairs

Dec 19 '07

Date



John T. St. James, Chief Financial Officer

12/19/07

Date

EXHIBIT A

This Exhibit sets forth financial and other additional terms of the Parties' Amended Agreement, whereby the University and Wyckoff further agree:

- A. The University shall convey to Wyckoff within 7 business days of the execution of this Amended Agreement the amount of Four Million U.S. Dollars (\$4,000,000) (the "Pre-Payment").
- B. Wyckoff shall credit the University with interest at the monthly LIBOR rate on the unamortized balance of the Pre-Payment plus interest previously earned (the "Monetary Consideration"). Wyckoff shall be entitled to apply the Monetary Consideration as payment "in-kind" for clinical rotations utilized by University students.
- C. For example, if the amount of the unamortized Pre-Payment was \$1.0 million at the end of January, 2008, and \$1.5 million at the beginning of the month, the average Pre-Payment balance for the month would be \$1.25 million. Assuming a LIBOR rate of 5% Wyckoff would owe the University \$5,208 in interest for the month. Under this amendment, instead of paying The University \$5,208 in cash, the \$5,208 in interest would be added to the Pre-payment resulting in a month end Pre-Payment of \$1,005,208.
- D. In consideration of the Pre-Payment, Wyckoff guarantees the University a minimum of 14 Pediatric and 14 OB/GYN core rotations every 6 weeks beginning January 21, 2008 and continuing through January 20, 2013. In addition, Wyckoff guarantees the University the same or a higher number of pediatric and OB/GYN core rotations during the succeeding two year period in the event the University exercises its option to extend this Amended Agreement as provided above.

The number of core Pediatric and OB/GYN rotations will each increase to a guaranteed minimum of 22 rotations on July 1, 2008 and remain at that number or higher for the length of this Amended Agreement, and any extension thereof at the option of the University:

	As of 1/21/08	As of 7/1/08
Pediatrics	14	22
Obstetrics/Gynecology	14	22

- E. The number of guaranteed minimum core rotations in other specialties (Internal Medicine-16, Surgery-16, and Family Medicine-4) will remain at these levels or higher but will increase to a guaranteed minimum of 28 rotations for each of Internal Medicine and Surgery, and 12 rotations for Family Medicine effective on July 1, 2008

F. In consideration of the increased guaranteed minimum rotations described above, the University will convey to Wyckoff the amount of Two Million U.S. Dollars (\$2,000,000) (the "Additional Pre-Payment funds") on July 1, 2008. Wyckoff shall credit the University with interest at the monthly LIBOR rate on the unamortized balance of the Additional Pre-Payment plus interest previously earned (the "Monetary Consideration"). Wyckoff shall be entitled to apply the Monetary Consideration as payment "in-kind" for clinical rotations utilized by University students. The calculation and application of the Monetary Consideration shall be consistent with paragraph C above.

Upon termination of this Amended Agreement for any reason, Wyckoff shall return to the University within 7 days of the termination date any unamortized Pre-Payment, Additional Pre-Payment and Monetary Consideration with no right of setoff. The Parties will work together in good faith to perform a reconciliation of unamortized Pre-Payment, Additional Pre-Payment and Monetary Consideration amounts within 45 days of the termination date and make any payments necessary to correct any under or over payment.

H. ~~The Pre-Payment, the Additional Pre-Payment and the Monetary Consideration shall be amortized for clerkship weeks at a rate of \$325 per student/per week. This rate of \$325 applies to all clinical rotations at Wyckoff and is locked in for the five year period from January 21, 2008 to January 20, 2013. In the event the University exercises its option to extend the Amended Agreement for an additional three years, from January 21, 2013 until January 20, 2016, the rate paid per student/per week shall be increased by a percentage equal to the increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U) in the then most recently ended federal fiscal year, as determined by the Bureau of Labor Statistics of the United States Department of Labor.~~

*we also
pay Secretarial
support of
\$6000.00/year
and library
support of
\$15000.00
per year
(see 2004
addendum)*

If and when the Pre-Payment and the Additional Pre-Payment funds are depleted under the mechanism described in the previous paragraphs, the University shall pay Wyckoff for clinical rotations on a "service performed" basis at the contracted rate in effect at the time.

J. The University retains a "right of first refusal", on all its Pediatrics, Obstetrics/Gynecology, and other core rotations as its contract/s expire/s. The University also has the "right of first refusal" on all core rotations of other international Medical Schools as their contracts expire. Such right of first refusal shall be exercised by The University within thirty (30) days of Written Notice provided to Ross by Wyckoff of the availability of clerkships and shall be under such terms and conditions as may be agreed to by the Parties. In the event such Parties are not able to agree to terms within an additional thirty (30) day period after Written Notice is provided to the University, then this "right of first refusal" shall be null and void.